

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**AS OF AND FOR THE YEAR
ENDED DECEMBER 31, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/14/10

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

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Hulsey, Harwood & Sheridan, LLC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Union Parish Assessor
Farmerville, Louisiana

We have audited the accompanying financial statements of the governmental activities of the Union Parish Assessor, a component unit of the Union Parish Police Jury, as of and for the year ended December 31, 2009, which collectively comprise the Union Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Union Parish Assessor's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

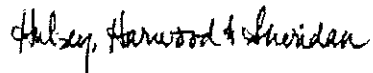
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Union Parish Assessor as of December 31, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2010, on our consideration of the Union Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Union Parish Assessor
Independent Auditor's Report
December 31, 2009

The management's discussion and analysis, budgetary comparison information, and employee health care plan schedule of funding progress on pages 3, 4, 22, and 23 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

HULSEY, HARWOOD & SHERIDAN, LLC

A handwritten signature in cursive script that reads "Hulsey, Harwood & Sheridan".

June 24, 2010

***Terry Baker, CLA
Assessor Union Parish
100 East Bayou
Suite #103
Farmerville, La. 71241-2843
(318)368-3232***

**Management's Discussion and Analysis
As of and for the Year Ended December 31, 2009**

Our discussion and analysis of the Union Parish Assessor (the Assessor) provides an overview of the Assessor's activities for the year ended December 31, 2009. Please read it in conjunction with the Assessor's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Assessor as a whole.

Reporting the Assessor as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the Assessor's net assets and changes in them. The Assessor's net assets (i.e., the difference between assets and liabilities) are a measure of the Assessor's financial position. The increases or decreases in the Assessor's net assets are an indicator of whether its financial position is improving or deteriorating.

THE ASSESSOR'S OFFICE AS A WHOLE

At December 31, 2009, net assets were as follows:

	<u>2009</u>	<u>2008</u>
Current and other assets	\$ 876,827	\$ 826,036
Capital assets, net	<u>53,387</u>	<u>34,713</u>
Total assets	<u>930,214</u>	<u>860,749</u>
Current liabilities	11,983	3,785
Long-term liabilities	<u>110,561</u>	<u>-</u>
Total liabilities	<u>122,544</u>	<u>3,785</u>
Net assets:		
Invested in capital assets	53,387	34,713
Unrestricted	<u>754,283</u>	<u>822,251</u>
Total net assets	<u>\$ 807,670</u>	<u>\$ 856,964</u>

**UNION PARISH ASSESSOR
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

For the year ended December 31, 2009, net assets changed as follows:

CHANGE IN NET ASSETS

	<u>2009</u>	<u>2008</u>
Program revenues:		
Charges for services	\$ 13,698	\$ 17,025
General revenues:		
Property taxes	606,234	571,112
Intergovernmental	6,421	8,130
Interest income	9,378	17,579
Total revenues	<u>635,731</u>	<u>613,846</u>
Expenses:		
General government	<u>685,025</u>	<u>537,441</u>
Total expenses	<u>685,025</u>	<u>537,441</u>
Change in net assets	(49,294)	76,405
Net assets at beginning of year	856,964	780,559
Net assets at end of year	<u>\$ 807,670</u>	<u>\$ 856,964</u>

BUDGETARY HIGHLIGHTS

We amend our budget when we determine there are differences between actual and anticipated revenues and/or expenditures. Our final amended budget was adopted near the end of the year. The budget for property tax revenue was increased by \$19,000. Other budgeted revenues were not revised. The adjustment was made to reflect an increase in expectations after the year began. Budgeted expenditures were increased by \$62,500, due to the purchase of a vehicle and an increase in professional services.

CAPITAL ASSETS

As of December 31, 2009, the Assessor's investment in capital assets amounts to \$53,387 (net of accumulated depreciation). This investment includes furniture, equipment, and two vehicles. This year's additions of \$40,362 include a laptop computer, a map of Union Parish, a filing system, server backups, pictures for the office, and a 2010 Ford Explorer.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

We are not aware of any facts, decisions, or conditions that are expected to have a significant impact on the financial position or results of operations after the reporting date.

CONTACTING THE ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the Assessor's finances and to show accountability for the money received by the Assessor's office. If you have any questions about this report or need additional financial information, contact the Union Parish Assessor's office at 100 East Bayou, Suite 103, Farmerville, Louisiana 71241.

BASIC FINANCIAL STATEMENTS

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2009**

ASSETS

Cash and cash equivalents	\$ 215,244
Receivables, net of allowance for uncollectibles	649,740
Prepaid expenses	11,689
Capital assets, net of accumulated depreciation	53,387
Other assets	154
TOTAL ASSETS	930,214

LIABILITIES

Accounts payable	3,895
Payroll and related liabilities	8,088
Net OPEB obligation	110,561
TOTAL LIABILITIES	122,544

NET ASSETS

Invested in capital assets, net of related debt	53,387
Unrestricted	754,283
TOTAL NET ASSETS	\$ 807,670

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

Expenses - general government:	
Depreciation	\$ 13,092
Materials and supplies	17,251
OPEB obligation	110,561
Operating services	41,255
Personal services and related expenses	478,046
Travel, training, and meetings	24,820
Total expenses - general government	<u>685,025</u>
Program revenues:	
Charges for services	13,698
Net program expense	<u>671,327</u>
General revenues:	
Property taxes	606,234
Payments in lieu of taxes	6,421
Interest earned	9,378
Total general revenues	<u>622,033</u>
Change in net assets	<u>(49,294)</u>
Net assets at beginning of year	856,964
Net assets at end of year	<u><u>\$ 807,670</u></u>

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**GOVERNMENTAL FUND - GENERAL FUND
BALANCE SHEET
AS OF DECEMBER 31, 2009**

ASSETS

Cash and cash equivalents	\$ 215,244
Receivables, net of allowance for uncollectibles	649,740
Prepaid expenses	11,689
Other assets	154
TOTAL ASSETS	\$ 876,827

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 3,895
Payroll and related liabilities	8,088
Deferred revenue	62,877
Total liabilities	74,860
Fund balance:	
Unreserved - undesignated	801,967
Total fund balance	801,967
TOTAL LIABILITIES AND FUND BALANCE	\$ 876,827

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2009**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance	\$ 801,967
Capital assets used in governmental activities are not financial resources and, therefore, are deferred in the fund statements.	53,387
Deferred revenues in the governmental fund balance sheet are recognized as revenue in the statement of activity and are not included in the statement of net assets.	62,877
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund statements.	(110,561)
Net assets of governmental activities	<u>\$ 807,670</u>

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**GOVERNMENTAL FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2009**

Revenues:	
Property taxes	\$644,435
Payments in lieu of taxes	6,421
Charges for services	13,698
Interest earned	9,378
Total revenues	<u>673,932</u>
Expenditures:	
Current:	
Operating services	41,255
Materials and supplies	17,251
Personal services and related expenses	478,046
Travel, training, and meetings	24,820
Capital outlay	31,766
Total expenditures	<u>593,138</u>
Net change in fund balance	80,794
Fund balance at beginning of year	<u>721,173</u>
Fund balance at end of year	<u><u>\$801,967</u></u>

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

**Amounts reported for governmental activities in the statement of net assets are
different because:**

Net change in fund balance	\$ 80,794
Payments of long-term debt, including contributions to the OPEB obligation, are reported as expenditures in governmental funds. However, those amounts are a reduction of long-term liabilities in the Statement of Net Assets and are not reflected in the Statement of Activities.	(110,561)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	18,674
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(38,201)
Change in net assets of governmental activities	<u>\$ (49,294)</u>

The accompanying notes are an integral part of these financial statements.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Union Parish Assessor (the Assessor) is elected by the voters of the parish and serves a term of four years. The Assessor assesses all real and movable property in the parish subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The Assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Assessor is considered a component unit of the Union Parish Police Jury since it is fiscally dependent on the Union Parish Police Jury for office space and related utility costs. For the purposes of this financial report, this component unit serves as the nucleus for its own financial reporting entity and issues separate financial statements.

At December 31, 2009, there are 22,025 real, movable, and public service assessment listings.

The accompanying financial statements of the Union Parish Assessor have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Assessor considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Ad valorem taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Assessor.

The Assessor reports one major governmental fund, the General Fund, which is the Assessor's primary operating fund. It accounts for all of the Assessor's financial resources.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Assessor has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables and payables

All trade and ad valorem tax receivables are shown net of an allowance for uncollectibles, when material.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

As provided by Louisiana Revised Statute 47:1925, the Assessor is authorized to levy an ad valorem tax in lieu of pro rata deductions from ad valorem taxing authorities. For the year ended December 31, 2009, the Assessor levied 4.97 mills to provide funding for the office.

Ad valorem tax revenues that are not expected to be received within sixty days of the year end are recorded as deferred revenue in the General Fund.

The following are the principal taxpayers and related property tax revenue for the Assessor:

Taxpayer	Assessed Valuation	% of Total Assessed Valuation	Ad Valorem Tax Revenue
Gulf Crossing Pipeline Company	\$ 11,912,530	9.10%	\$ 821,291
Foster Poultry Farms	8,914,280	6.81%	583,949
Centerpoint Energy Gas Trans.	5,912,000	4.52%	403,236
Midcontinent Express Pipeline, LLC	5,067,740	3.87%	345,419
Entergy Louisiana, Inc.	4,598,820	3.51%	308,312
Claiborne Electric Coop.	3,314,340	2.53%	225,017
Trans-Union Interstate Pipeline	2,770,680	2.12%	182,527
CenturyTel, Inc.	2,219,010	1.70%	151,771
BellSouth Communications	1,691,880	1.29%	100,582
Community Trust Bank	1,469,220	1.12%	94,772
Totals	\$ 47,870,500	36.57%	\$ 3,216,876

Budgets

The Assessor uses the following budget practices:

The Assessor adopted an operating budget on a basis consistent with generally accepted accounting principles on its governmental fund for the year ended December 31, 2009, as required by generally accepted accounting principles as applicable to governmental units and as required by Louisiana law. Budgetary data is prepared based on prior-year actual operating revenues and expenditures, and expected differences between actual and anticipated revenues and expenditures. The budget is monitored by management and amended throughout the year as necessary.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets (continued)

The 2009 budget for the general fund was authorized by the Assessor, made available for public inspection at the Assessor's office, and adopted by the Assessor. The Assessor amended the budget prior to the end of the year.

The budget is established and controlled by the assessor at the object level of expenditure. Appropriations lapse at the end of the year and must be reappropriated for the following year to be expended.

Cash and cash equivalents

Cash includes amounts in interest-bearing demand deposits and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Cash deposits are reported at carrying amount, which reasonably approximates fair value.

Investments

Under state law, the Assessor may invest in United States bonds, notes, or certificates. If the original maturities of investments exceed 90 days, they are classified as investments. However, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

Inventories

Inventories are accounted for using the consumption method, where expenditures are recognized as the inventory is used. All purchased inventory items are valued at cost using the first-in/first-out method.

Capital assets

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. The capitalization threshold for equipment is \$50. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Furniture and equipment	5-10
Vehicles	5-7

Compensated absences

All employees receive from five to ten days of noncumulative vacation leave each year, depending on length of service. Employees earn eighteen days of noncumulative sick leave each year. At December 31, 2009, there are no accumulated and vested benefits relating to vacation and sick leave that require accrual or disclosure.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted net assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on their use are either:

1. Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.
2. Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then the unrestricted resources as they are needed.

Fund equity

Reservations of fund balance represent amounts that are not appropriable for expenditure or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt -- Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets -- Consists of net assets with constraints placed on their use either (1) by external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) by law through constitutional provisions or enabling legislations.

Unrestricted net assets -- All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, deposits of the Assessor's office may not be returned to the Assessor. The Assessor's policy to ensure that there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the Assessor that the fiscal agent bank has failed to pay deposited funds upon demand.

At December 31, 2009, the Assessor has cash and cash equivalents (book balances) totaling \$215,244 as follows:

Cash and cash equivalents:	
Demand deposits	\$ 78,309
Time deposits	136,287
Other	648
Total	<u>\$ 215,244</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2009, all of the Assessor's bank balances of \$230,213 were covered by federal deposit insurance.

NOTE 3 – RECEIVABLES

The following is a summary of receivables at December 31, 2009:

Receivables:	
Taxes and licenses	\$ 654,978
Accounts	2,141
Other	923
Gross receivables	<u>658,042</u>
Less allowance for uncollectibles	(8,302)
Net total receivables	<u>\$ 649,740</u>

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 4 – CAPITAL ASSETS

A schedule of changes in capital assets for the year ended December 31, 2009, follows:

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets being depreciated:					
Furniture and equipment	\$ 130,760	\$ (36,988)	\$ 11,770	\$ (21,793)	\$ 83,749
Vehicles	-	36,988	28,592	(19,078)	46,502
Total capital assets					
being depreciated	<u>130,760</u>	<u>-</u>	<u>40,362</u>	<u>(40,871)</u>	<u>130,251</u>
Less accumulated depreciation for:					
Furniture and equipment	96,047	(13,610)	5,060	(21,793)	65,704
Vehicles	-	13,610	8,032	(10,482)	11,160
Total accumulated depreciation	<u>96,047</u>	<u>-</u>	<u>13,092</u>	<u>(32,275)</u>	<u>76,864</u>
Total capital assets					
being depreciated	<u>34,713</u>	<u>-</u>	<u>27,270</u>	<u>(8,596)</u>	<u>53,387</u>
Governmental activities, capital assets, net	<u>\$ 34,713</u>	<u>\$ -</u>	<u>\$ 27,270</u>	<u>\$ (8,596)</u>	<u>\$ 53,387</u>

The adjustments were made to separate vehicles from furniture and equipment. Increases or additions to capital assets include the \$8,596 net book value of a vehicle that was traded in on the new vehicle.

NOTE 5 – LOUISIANA ASSESSORS' RETIREMENT SYSTEM

Plan description

Substantially all employees of the Union Parish Assessor's office are members of the Louisiana Assessors' Retirement System (the System), a multiple-employer (cost-sharing), public-employee retirement system (PERS), controlled and administered by a separate board of trustees. The System provides retirement, death, and disability benefits to plan members and beneficiaries. Benefits are established by statute.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 5 – LOUISIANA ASSESSORS' RETIREMENT SYSTEM (CONTINUED)

Plan description (Continued)

All full-time employees who were employed on or after July 26, 1950, and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service rendered on or before June 30, 1999, and 3.33% of their final-average salary for each year of credited service rendered on or after July 1, 1999, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898, or by calling (225)928-8886.

Funding policy

Plan members were required by state statute to contribute 8.00% of their annual covered salary January through December 2009. The Union Parish Assessor is required to contribute at an actuarially determined rate. The rate of annual covered payroll was 13.5% for January through December 2009. Contributions to the system include .0025% of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Union Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Union Parish Assessor's payments to the System for the year ended December 31, 2009, were \$43,115, which equaled the required contribution for the year.

NOTE 6 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan description

The Union Parish Assessor contributes to a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare and life insurance for eligible employees and their spouses through the Assessor's group health insurance plan, which covers both active and retired members. Benefit provisions are established by the Union Parish Assessor. The Retiree Health Plan does not issue a publicly available financial report.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 6 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Plan description (continued)

Effective with the year ended December 31, 2009, the Union Parish Assessor implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This statement has been implemented prospectively. Using this method, the beginning other post employment benefit (OPEB) liability is set at zero and the actuarially determined OPEB liability relative to past service) (prior to January 1, 2009) will be amortized and recognized as an expense over thirty years.

Funding policy

The Union Parish Assessor contributes 100% of the cost of medical, dental, and life insurance premiums of eligible retirees and their spouses. For the year ended December 31, 2009, the Assessor contributed \$10,008.

Annual OPEB cost and net OPEB obligation

The Assessor's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC). The Assessor has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Assessor's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Assessor's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$ 120,569
Interest of prior year net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>120,569</u>
Contributions made	<u>(10,008)</u>
Increase in net OPEB obligation	110,561
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	<u><u>\$ 110,561</u></u>

The Assessor's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year 2009 was \$120,569, 8%, and \$110,561, respectively.

Funded status and funding progress

As of December 31, 2009, the actuarial accrued liability for benefits was \$1,624,167, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$286,960, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 566%.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 6 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Funded status and funding progress (continued)

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Because requirements of GASB 45 were implemented starting with the year ended December 31, 2009, only one year is available.

Methods and assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Retirement age for active employees - Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 55, or at the first subsequent year in which the member would qualify for benefits.

Marital status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Life expectancies were based on the mortality tables from the National Center for Health Statistics. The 2003 (revised 2007) United States Life Tables for Males and for Females were used.

Turnover - Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 5.36 percent initially, increased to an ultimate rate of 5.40 percent after ten years, was used.

Health insurance premiums - 2009 age adjusted health insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 6 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Methods and assumptions (continued)

Inflation rate - The expected long-term inflation rate assumption of 3.9 was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers in *The 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds* for an intermediate growth scenario.

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the Assessor's short-term investment portfolio, a discount rate of 3 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009, was thirty years.

NOTE 7 – CONTINGENCIES

There was no litigation pending at December 31, 2009.

NOTE 8 – RISK MANAGEMENT

The Assessor is exposed to various risks of loss relating to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 24, 2010, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**GOVERNMENTAL FUND - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	\$ 530,000	\$ 549,000	\$ 644,435	\$ 95,435
Payments in lieu of taxes	8,000	8,000	6,421	(1,579)
Charges for services	14,500	14,500	13,698	(802)
Interest earned	8,000	8,000	9,378	1,378
Total revenues	560,500	579,500	673,932	94,432
Expenditures:				
Current:				
Operating services	33,250	44,250	41,255	(2,995)
Materials and supplies	11,900	11,900	17,251	5,351
Personal services and related expenses	452,200	480,700	478,046	(2,654)
Travel, training, and meetings	23,600	23,600	24,820	1,220
Capital outlay	8,500	31,500	31,766	266
Total expenditures	529,450	591,950	593,138	1,188
Net change in fund balance	31,050	(12,450)	80,794	93,244
Fund balance at beginning of year	638,000	721,173	721,173	-
Fund balance at end of year	\$ 669,050	\$ 708,723	\$ 801,967	\$ 93,244

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**EMPLOYEE HEALTH CARE PLAN
SCHEDULE OF FUNDING PROGRESS
AS OF DECEMBER 31, 2009**

<u>Actuarial Valuation Date</u>	<u>Actuarial Valuation of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
December 31, 2009	\$ -	\$1,624,167	\$1,624,167	0%	\$ 286,960	566%

OTHER REPORTS



Hulsey, Harwood & Sheridan, LLC

Certified Public Accountants

**Report on Internal Control over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Union Parish Assessor
Farmerville, Louisiana

We have audited the accompanying financial statements of the governmental activities of the Union Parish Assessor, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 24, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Union Parish Assessor's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Union Parish Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Union Parish Assessor's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Union Parish Assessor's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Union Parish Assessor's financial statements that is more than inconsequential will not be prevented or detected by the Union Parish Assessor's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Union Parish Assessor's internal control.

Union Parish Assessor
Farmerville, Louisiana
Independent Auditor's Report - GAGAS
December 31, 2009

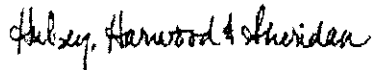
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Union Parish Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Union Parish Assessor, management, pass-through entities and the Louisiana Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, it is issued by the Legislative Auditor as a public document.

HULSEY, HARWOOD & SHERIDAN, LLC



June 24, 2010

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2009**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Union Parish Assessor.
2. No significant deficiencies are reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of the Union Parish Assessor were disclosed during the audit.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

No reportable findings resulted from the financial statements audit.

**UNION PARISH ASSESSOR
FARMERVILLE, LOUISIANA**

**STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken Yes, No, Partially	Planned Corrective Action/Partial Corrective Action Taken
2008-1	2000	Separation of Duties. The Union Parish Assessor's Office has too few personnel involved in the accounting system to have adequate separation of duties for internal control	Yes	N/A
2008-2	2008	Inadequate Controls over Preparation of the Financial Statements. Personnel for the Union Parish Assessor do not have sufficient financial expertise to prepare the financial statements without some technical assistance in applying accounting principles that are in conformity with GAAP. However, they can understand the key issues identified, make any required management decisions, and fulfill the competency requirements, so that they can accept responsibility for the financial statements.	Yes	N/A